



Comptroller General
of the United States

Washington, D.C. 20548

Decision

Matter of: PHH Homequity
File: B-244683
Date: October 7, 1991

G. Jerry Shaw, Esq., William L. Bransford, Esq., and Debra L. Roth, Esq., Neill & Shaw, for the protester.
Marcia L. Garst, Esq., for Associates Relocation Management Company, Inc., an interested party.
Kathy DiPippa, Esq., United States Secret Service, Department of the Treasury, for the agency.
Barbara C. Coles, Esq., and Christine S. Melody, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

1. Protest challenging agency's evaluation of price and technical proposals on the basis that the agency did not follow the evaluation scheme set forth in the solicitation is denied where the record shows that the agency's evaluation was reasonable and in accordance with the solicitation's evaluation criteria.
2. Agency conducted meaningful discussions where it directed protester to an area in which its proposal was deficient; agency is not required to notify offerors of deficiencies remaining in their best and final offers or conduct successive rounds of discussions until such deficiencies are corrected.

DECISION

PHH Homequity protests the award of a contract to Associates Relocation Management Company, Inc. under request for proposals (RFP) No. USSS-90-28-P/91-6-P,^{1/} issued by the United States Secret Service, Department of the Treasury, for home relocation services.

We deny the protest.

The solicitation, issued on November 7, 1990, advised offerors that annually the Secret Service will move approximately

^{1/} The solicitation, originally issued as RFP No. USSS-90-28-P, was subsequently amended to RFP No. USSS-91-6-P.

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the solicitation contemplated the award of all the points available in a particular category to the low-priced offeror in that category, the agency adhered to the evaluation scheme by awarding all the points available to the low-priced offeror. There is nothing in the solicitation that suggests that after giving the low-priced offeror the maximum points available in a particular category, the agency was precluded from giving the higher-priced offeror a fraction or percentage of the maximum points. Given the absence here of a prohibition in the RFP precluding the award of points to the higher-priced offer, the agency's scoring method of giving the higher-priced offeror a prorated share of the points was not improper.

The agency's method was not only proper but was far more reasonable than the method PHH suggests; specifically, the agency's scheme results in a more balanced evaluation and, thus, recognizes offerors with competitive price proposals. In doing so, it eliminates the likelihood that the agency would not be able to award any points in a category in which a highly competitive offeror was higher only by \$1. It thus reduces the chance that numerical evaluation scores would be skewed significantly in favor of one offeror where the difference in price was not significant. Here, for example, PHH would have received substantially more points (36) under its interpretation of the evaluation scheme than Associates would have received (24), even though the difference in their prices was not significant.

TECHNICAL EVALUATION

PHH contends that the agency improperly failed to advise the firm that the agency had a "special interest" in knowing each offeror's proposed procedures for handling properties with fire retardant treatment (FRT) in the roof sheathing. PHH argues that this failure precluded the firm from being able to prepare a proposal that could compete on an equal footing with a proposal from Associates, the incumbent contractor. To support its claim, PHH refers to a "Memorandum for Record," dated February 13, which states that the contracting officer's technical representative told a representative from PHH that the "Secret Service had a special interest in FRT due to problems experienced by transferees"; the memorandum was written by the contracting specialist to memorialize the topics addressed in the debriefing.

In reviewing protests against allegedly improper technical evaluations, our Office will examine the record to determine whether the agency's judgment was reasonable and in accord with the listed criteria. Ross Aviation Inc., B-236952, Jan. 22, 1990, 90-1 CPD ¶ 83. A protester's mere disagreement with the agency's judgment or belief that its proposal should

have received a higher score is itself not sufficient to establish that the agency's evaluation was unreasonable. VGS, Inc., B-233116, Jan. 25, 1989, 89-1 CPD ¶ 83. Here, after reviewing the record, we conclude that the evaluation was fair and reasonable and in accordance with the RFP's stated evaluation criteria.

The solicitation specifically advised offerors that their technical proposals must demonstrate effective control over the management of all technical subfunctions. One part of section C, "Project Management and Control Requirements," required the contractor to establish procedures for handling properties with FRT in the roof sheathing. Since the protester was thus on notice that discussion of FRT procedures was required, it was imperative that PHH include an adequate discussion in its proposal.

Consistent with the evaluation scheme, the agency properly downgraded the PHH proposal by one point because its discussion concerning how it proposed to handle FRT properties was limited merely to the following: "[a]ppraisers will be apprised of this information and asked to reflect any anticipated impact on the value and marketability in their individual appraisals." In comparison, Associates's discussion was far more detailed and demonstrated a plan which identified when roof replacement would be necessary and the party that would be responsible for the replacement. As a result, Associates received two points for its discussion, the maximum available. Since the solicitation provided that proposals of superior quality would be accorded more consideration in the technical evaluation than proposals meeting the minimum requirements of this solicitation, and Associates was awarded the maximum points available because its proposal was significantly superior to PHH's, we fail to see the alleged "special" interest or treatment that the protester claims the FRT discussion was given during the evaluation.

DISCUSSIONS

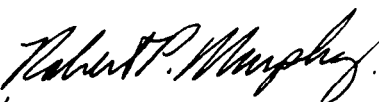
PHH contends that the agency's December 20 clarification request--stating that PHH's planned procedures for FRT were not adequately addressed--did not offer any insight to PHH. Specifically, PHH states that the agency placed its request for this information at the bottom of the list under the same number as its request for clarification of another requirement.

For discussions in a negotiated procurement to be meaningful, contracting agencies must advise offerors in the competitive range of deficiencies in their proposals, and afford them the

opportunity to correct the deficiencies by submitting revised proposals. Federal Acquisition Regulation § 15.610; Questech, Inc., B-236028, Nov. 1, 1989, 89-2 CPD ¶ 407. Agencies need not afford offerors all-encompassing discussions, or discuss every element of a technically acceptable proposal that received less than the maximum possible rating. Rather, agencies need only lead offerors into the areas of their proposals which require amplification. S.T. Research Corp., B-233115, Feb. 15, 1989, 89-1 CPD ¶ 159.

The agency's December 20 letter, which specifically advised PHH that its discussion concerning its proposed FRT procedures was inadequate, constituted meaningful discussions because it sufficiently led PHH into an area of its proposal that was deficient and, thus, needed revision. The protester's challenge to the numerical order in which the request was made is unpersuasive because regardless of the order, the agency put the firm on notice that there was a deficiency in this area of the proposal; surely, the numerical order of the request does not detract from the adequacy of the notice. To the extent that PHH claims that it thought that it would be given another chance during discussions to revise its proposed FRT procedures if they were still found to be inadequate, there is no requirement that agencies must notify offerors of deficiencies remaining in their BAFOs or conduct successive rounds of discussions until such deficiencies are corrected. Honeywell Regelsysteme GmbH, B-237248, Feb. 2, 1990, 90-1 CPD ¶ 149.

The protest is denied.


for James F. Hinchman
General Counsel